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Telephony

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NETSYS: A VISION OF THE FUTURE
Pac Bell's Bandler explains the architecture and business strategy

PRICE CAPS ON THE AGENDA
LEC plan may need more work

GREENE REJECTS INTERLATA GATEWAY PLAN
Action could drive up service costs

MONDAY, JANUARY 30, 1989 Volume 216, No. 5

Telephony

INTEGRATING VOICE & DATA COMMUNICATIONS

With the 1990s looming, Pacific Bell's Michael Bandler, vice president-network technology, talks about his vision of a network and systems architecture for the intelligent network. Photos by Chris Scott

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these proposals benefit the carriers far more than consumers."

The paper, aimed at state legislators and regulatory commissioners, says that the traditional rate-of-return regulatory system has helped to build a superior phone system, while allowing carriers to grow steadily and enjoy "robust financial health."

Changes within the industry may compel changes in regulation, the paper notes. It calls for regulators to seek a balanced approach to implementing such changes, to benefit both providers and consumers. Objective standards need to be found to assess the level of competition within a market, said the ICA. In addition, cost allocation standards need to be in place to prevent cross subsidies, the paper maintains.

In a not always common alliance between major business and institutional users of telecommunication services, the ICA paper was endorsed by the Consumer Federation of America.

CFA Executive Director Gene Kimmelman and ICA President William Pomeroy told a Washington press conference that FCC officials are not correct when they claim that states are rushing to implement price-cap regulation, especially when it applies to local telcos. T

OPASTCO votes to accept IXCs

The Organization for the Protection and Advancement of Small Telephone Companies, meeting in Hawaii this month, voted to accept interLATA carriers into the organization. The members also voted to accept state and national associations as members.

OPASTCO said that allowing interLATA carriers into the organization will facilitate the exchange of information and increase the independent telcos' ability to work effectively with long-distance carriers. The new membership categories do not carry voting rights, according to the group. However, representatives will be allowed to serve on committees.

Members also elected Jim Pendergast to serve as president. Pendergast is president of San Marcos (Texas) Telephone Co.

The question of allowing long-distance carriers into the U.S. Telephone Association has also been raised. However, that group has so far resisted the move. T

SEL executive jailed for fraud

Peter Purton
Special Correspondent

Helmut Lohr, chairman of West Germany's second-largest telecommunications manufacturer, SEL, was arrested Jan. 18 on charges of tax evasion and fraud. The arrest came days after he had announced his intention to leave SEL to become vice president of mergers and acquisitions for its parent, Alcatel.

Lohr was released on bail of DM2.5 million ($1.2 million). The bulk of the bail money is believed to have been put up by SEL. Police say they were worried he might try to avoid their investigation by fleeing the country to Spain, where Lohr has a holiday home. West Germany has no extradition treaty with Spain.

A former post office engineer, he has been considered one of West Germany's industrial leaders. Early last year, he was set to become the first managing director of Telekom, the government-owned company designed to replace the Deutsche Bundespost as the country's major carrier. Just before Christmas, however, reports emerged that Lohr was under investigation by police for tax evasion and disloyalty to his company.

In mid-January, he announced plans to leave SEL to become vice president of mergers and acquisitions for Alcatel.

Gerhard Zeidler, head of SEL's prestigious laboratory, and a director of SEL and Alcatel, is in line to succeed Lohr. Rumors within SEL indicate, however, that Alcatel's boss, Pierre Suarde, prefers to see someone with less prior association with SEL replace Lohr. T

BT to offer VoiceCom service

John Williamson
International Editor

British Telecom and VoiceCom Systems Inc. of San Francisco will offer a new European voice messaging service.

The service, dubbed VoiceCom International, also will provide facilities for businesses with operations on both sides of the Atlantic and, through its use of local dialing rates, could cost only 25% of the price of conventional trans-Atlantic telephone calls.

The two companies will market VoiceCom International under a joint service and marketing agreement in the U.K. and other European countries. VoiceCom, 28% owned by BT, will offer the international voice messaging service to its customers in the U.S. British Telecom and VoiceCom said they already have secured commitments for VoiceCom International service from several customers.

The VoiceCom deal is the first step in a BT plan to establish an international voice messaging network. The service is scheduled to start in early February. T

AT&T/McCaw team up for FTS 2000

Although some may think that federal bureaucrats already spend too much time on the phone in their offices, AT&T and McCaw Cellular Communications plan to give them a chance to talk from their cars, as well.

AT&T announced Jan. 23 that it had signed an agreement with McCaw, a cellular phone service company, for a proposed cellular mobile telecommunications service as part of FTS 2000.

AT&T said the additional optional service for FTS 2000 will provide a total communications package for federal employees. Service on the upgraded system is expected to begin late this year, according to AT&T. T

Corrections

In *Telephony's* Jan. 9 issue, figures were mistakenly transposed in a table accompanying Figure 3 of the U.S. review and forecast article ("$24 billion spells mostly sunny skies for the U.S. telecom industry," page 22). The table should have reported the number of local switches for Nynex as 1323 (36% digital); for Bell Atlantic, 1291 (56% digital); for BellSouth, 1585 (39% digital); for U S West, 1706 (20% digital); and for Southwestern Bell, 1321 (21% digital).

Due to an editing error, the Jan. 9 issue of *Telephony* also inaccurately reported that British Telecom had changed its position on the prospect of a takeover of Plessey by GEC and Siemens ("Plessey mulls sale of GPT," page 12). The article should have stated that British Telecom remains neutral on the GEC/Siemens bid for Plessey.